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March 13, 2008

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Our Matter Number: 1099714

BY ELECTRONIC MAIL & COURIER

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Suite 2700
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: EB-2007-0050 – Hydro One Networks Inc., (“Hydro One”) Bruce to Milton
Transmission Reinforcement Project**

I am writing to you on behalf of Hydro One and in respect of the notification requirements set out in Paragraph 3 of Procedural Order No. 5.

On March 10, 2008 Hydro One received Interrogatories from Powerline Connections, the Ross Group and Pollution Probe. The Ross Group also provided Interrogatories to the Ontario Power Authority (“OPA”) and to the Independent Electricity System Operator (“IESO”) under separate cover. As indicated previously, Hydro One has been consulting with each of the OPA and the IESO throughout this process, given their roles in this application. We have presumed that the separate Interrogatories were intended to be sent to Hydro One and for Hydro One to consider these for the purposes of Paragraph 3 of Procedural Order No. 5. Hydro One’s responses below are made on this basis.

As a general comment Hydro One notes that the identified Interrogatories fall into several categories of concern: (a) Interrogatories that consider topics to be considered in the environmental assessment process, such as electromagnetic fields (“EMF”) and noise impacts; (b) Interrogatories that request broad-based disclosure, the relevance and purpose of which has not been demonstrated; (c) Interrogatories that request disclosure of generator-related commercially sensitive information, information subject to solicitor-client privilege, information that is not available at the level of detail requested, or (d) Interrogatories that seek the disclosure of information that could reasonably be expected to cause prejudice to Hydro One’s negotiations and/or expropriation of interests in land required for the Project.

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Powerline Connections Interrogatories 26-41 and 45

These Interrogatories concern the study and potential effects of EMFs, Hydro One's operating practices concerning EMF readings, and the reasons for taking such readings.

As the Board will recall, argument on whether the topic of EMFs should be included in the Issues List for this proceeding was made by counsel for Powerline Connections during the Issues Day proceeding (see: pages 148-171 of the transcript). At pages 5 and 6 of its Decision and Order the Board found that health and/or socio-economic impacts of EMFs are beyond the scope of this proceeding.

The technical design and the forecast costs of the Project are based upon established planning practices which incorporate EMF mitigation. The design is not, however, based upon specific, pre-existing magnetic field ("EMF") studies carried out along the existing Bruce to Milton transmission line. In the present circumstances, EMFs have not been identified to be a material technical attribute requiring advanced study and affecting Project design, cost, or the reliability or quality of the electricity service intended to be provided by the Project.

Hydro One has studied expected changes in the EMF levels at the existing and future edge of the corridor right-of-way in response to perceived human health concerns of the Project. This material will be part of the environmental assessment of the Project. Consistent with the Board's Issues Day Decision, Hydro One therefore considers these matters to fall outside of the scope of the OEB leave to construct proceeding and the Issues List. As such, and for purposes of the record in this proceeding, Hydro One declines to respond to Interrogatories that request production of such studies or related information.

Powerline Connections Interrogatories 47, 93- 94, 105-110, 123, and 137-142

Several of the Interrogatories contain duplicative requests. Duplicates of the questions will not be responded to.

Powerline Connections Interrogatories 51, 96 and 120

The subject-matter of these Interrogatories, in part, requests the disclosure of commercially sensitive information that Hydro One anticipates using for the purpose of negotiating the acquisition of land interests required for the Project. Issues respecting land compensation have been determined by the Board to be outside the purview of this leave to construct process. The Board was clear in its letter to landowners on May 25, 2007: compensation issues are not the subject of this proceeding. In addition, on page 6 of its Motions Day decision, dated July 4, 2007, the Board ruled as follows:

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Therefore, while the Board considers alternatives to the project, those alternatives are assessed in the context of the specific factors listed in Section 96(2). These factors do not include the impact on individual landowners, except to the extent that the impact could materially affect the price (economics), reliability or quality of service to consumers generally as described in section 96(2). The environmental and socio-economic impacts of alternative routes are considered in the EA process. Individual land rights are considered in the context of a proceeding under the expropriations process.

Hydro One therefore does not consider such questions to be proper and relevant to this proceeding and on that basis declines to provide responses.

Powerline Connections Interrogatories 44, 50, 52, 53, 55-56, 64-67, 93-95, 112, and 121-122.

The subject-matter of these Interrogatories concerns Hydro One's historical land acquisition and compensation practices. These matters do not pertain to any of the Issues identified for consideration in this proceeding. Land compensation matters were determined by the Board to fall outside of the purview of this leave to construct process: see the Board Letter dated May 25, 2007 and the Motions Day decision. The Board also explained in its Issues Day Decision and Order that health and socio-economic matters are beyond the scope of this proceeding (page 6) and that issues must be framed in respect of price, reliability and quality of electricity and that it is not appropriate to consider a detailed breakdown of potential costs from individual land parcels (page 11). Hydro One therefore does not consider such questions to be proper and relevant to this proceeding and on that basis declines to provide responses.

Powerline Connections Interrogatories 57-63 and 103-104.

The subject-matter of these Interrogatories concerns Hydro One's noise impacts resulting from construction of the project and routine operational maintenance practices employed by Hydro One in respect of the care and upkeep of its existing facilities. Noise related impacts are socio-economic effects that will be considered as part of the environmental assessment of the Project. Noise impacts do not concern the List of Issues. As outlined above, the Board was clear in its Issues Day Decision and Order that health and socio-economic impacts are beyond the scope of this hearing. Hydro One therefore declines to provide responses to these Interrogatories.

Powerline Connections Interrogatory 68

The subject-matter of this Interrogatory concerns all internal information in the possession of the Ontario Power Authority ("OPA") relating to the comparison of alternatives to the applied-for Project. OPA is not prepared to respond to such a request. The information that OPA is relying upon, for the evaluation of alternatives, has been

produced and is on the record. Hydro One and OPA expect that the Board will make determinations as to whether such evidence is sufficient, or not, in granting the applied-for relief.

Powerline Connections Interrogatory 74

The subject-matter of this Interrogatory requests confirmation of facts related to baseline environmental criteria unrelated to the Issues List set out in Procedural Order No. 5. As such Hydro One declines to respond to this Interrogatory.

Ross Group Interrogatory 1.1(i)

The subject-matter of the Interrogatory concerns the production and disclosure of information that pre-dates Hydro One's existence and relates generally to the question of the adequacy of the transmission system as it existed in 1985, some 23 years ago. Hydro One does not consider such matters to be relevant in this proceeding and as such is not prepared to conduct the search that would be necessary to address why the Ontario transmission system may have been considered by a party to be "sufficiently scalable" for eight units at Bruce in 1985. This is beyond the scope and the issues to be considered in this proceeding.

Ross Group Interrogatory 1.2

The subject-matter of this Interrogatory is an all-encompassing disclosure of "all transmission records from 1985 to present." No cogent reason is provided for such a request. No attempt has been made to relate such a request to any part of Hydro One's application or the relief sought, or any of the Issues approved in Procedural Order No. 5. The justification that is provided states "Federal Regulations require keeping generation records for seventy-five years after a unit is decommissioned." Hydro One fails to see how this has any bearing on the request that is made. Hydro One owns and operates transmission and not generation facilities.

Ross Group Interrogatory 2.1 (to Hydro One) and Interrogatory 17 (to OPA)

The subject-matter of these Interrogatories concern the disclosure of information that is protected by solicitor-client privilege. It is information not intended to be disclosed publicly and is not, in any event, information which Hydro One intends to rely upon for purposes of the relief that is sought as it is not contained or referenced in its application. Interpretations afforded to Government documents such as Land Use Policy are not matters of evidence but rather legal argument. As a result Hydro One is not prepared to disclose the requested information.

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Ross Group Interrogatory 2.2

The subject-matter of this Interrogatory concerns the production of internal memos and reports relating to the interpretation provided to the Provincial Land Use Policy. The information requested does not exist and therefore a response cannot be provided. The Land Use Policy has been interpreted through the consideration of its plain and ordinary meaning and taking into account well-recognized, longstanding public policy objectives associated with minimizing overall impacts to the environment and the public.

Ross Group Interrogatory 9.1

The subject-matter of this Interrogatory requests the disclosure of the short circuit studies. The studies are included as part of the Customer Impact Assessments. This information cannot be disclosed as indicated in Hydro One's response to Energy Probe Interrogatory 8.

Ross Group Interrogatory 9.2 and Pollution Probe Interrogatories 28, 30(e), 32(d), 43(a)(iv), (b)(iv-vi), 46(a)(ii)

The subject-matter of these Interrogatories concerns the disclosure of all saved cases which the IESO has prepared in relation to the modelling and the analysis of the transmission system for the purposes of the System Impact Assessments ("SIA"). The steps necessary to prepare, annotate and make available the requested information, in a user-friendly format, would be substantial and consume time and resources well beyond that available to the IESO. As an alternative to the requests found in these Interrogatories, and to better utilize the IESO's resources, the IESO is prepared to consult with the Ross Group and Pollution Probe to identify a reasonable number of studies for their use. This information could then be used by the Ross Group or Pollution Probe as evidence in this proceeding.

Pollution Probe Interrogatories 34-37

The subject matter of these Interrogatories concerns historical statistics for the circuits which comprise the entirety of the Ontario grid, both on an individual circuit and aggregated circuit basis. While Hydro One will undertake reasonable efforts to provide responses to these Interrogatories, at this time it is unclear whether all requested information is readily available.

Pollution Probe Interrogatories 38, 42(a), 47(a) and (c), 49(d), 50(a) and 51(a)

The subject-matter of these Interrogatories requests the disclosure of documents (such as working papers) relating to analysis that has been included in earlier responses. Disclosure would reveal details that have previously been considered by the OPA and


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Hydro One to be commercially sensitive and confidential. Please refer to letters from OPA and Hydro One dated March 6, 2008.

Yours very truly,


for Gordon M. Nettleton
GMN:njm

c. All Interested Parties in EB-2007-0050